Form 3160-5 (April 2004)

UNITED STATES V.IV. CAI COSS. DIV-DISC DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FUKM APPKUVED OMB NO. 1004-0137 Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. NM NM 112251

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE -	7. If Unit or CA/Agreement, Name and/or No.				
1. Type of Well Oll Well X Gas Well Other 2. Name of Operator PARALLEL PETROLEUM CORPORATION 3a. Address 1004 N BIG SPRING, SUITE 400, MIDIA	ND TX 79701	MAY - 8 2008 OCD-ARTESIA 3b. Phone No. (include area code) 432-685-6563		8. Well Name and No. ALSAB 1525-21 1 FEDERAL 9. API Well No. 30-005-63938 10. Field and Pool, or Exploratory Area	
4. Location of Well (Footage, Sec., T., R., M., or Survey SL: 760 FNL & 208 FWL, SEC 21, T1 FHL: 753 FNL & 643 FEL, SEC 21, T1	Description) .5S, R25E .5S, R25E ACTUA	L		WALNUT CREE POOL 11. County or I CHAVES	DEEK, WOLFCAMP CAS or Parish, State NM
12. CHECK APPROPRIATE TYPE OF SUBMISSION	PORT, OR OTH	ER DATA			
Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injects	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Reclamat	ete [Water Shut-Off Well Integrity Other
13. Describe Proposed or Completed Operation (clear	ly state all pertinent deta	ails, including estimated start	ing date of any p	roposed work and a	approximate duration thereof.

If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

PRODUCED WATER FROM THIS WELLBORE IS BEING COLLECTED INTO 210 BBL FIBERGLASS STORAGE TANK. HAULED BY CHOICE OILFTELD SERVICE COMPANY AND TAKEN TO PUBLIC DISPOSAL FACILITY.

cepted for record

SEE ATTACHED FOR **CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct Name, (Printed Typed)	Title
KAYE MC CORMICK	SR PROD & REG TECH
Trave M. Cornuck	Date 04-25-2008
THIS SPACE FOR FEDERA	L OR STATE OFFICE USE
Approved by /S/ DAVID R. GLASS	Title Date MAY 0 5 2008
Conditions of approval, if any, are attached. Approval of this notice does not warrant certify that the applicant holds legal or equitable title to those rights in the subject legisles which would entitle the applicant to conduct operations thereon.	or Office

BUREAU OF LAND MANAGEMENT Roswell Field Office 2909 West Second Street Roswell, New Mexico 88201 505-627-0272

Disposal of Produced Water From Federal Wells Conditions of Approval

Approval of the produced water disposal methodology is subject to the following conditions of approval:

- 1. This agency shall be notified of any change in your method or location of disposal.
- 2. Compliance with all provisions of Onshore Order No. 7.
- 3. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
- 5. Any on-lease open top storage tanks shall be covered with a wire screen to prevent entry by birds and other wildlife.
- This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
- 7. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office for wells in Chaves or Roosevelt County if you have not already done so.

1,7